

Chairman Jason Chaffetz
Opening Statement
"Drones: The Next Frontier of Commerce?"
Wednesday, June 17, 2015

Today's hearing on drones is the first in a series of hearings the Oversight Committee will hold on emerging technologies.

Drones are already being used in a variety of applications.

First responders are using them to deliver food and medical supplies to areas hit by disaster. Law enforcement envisions using

g drones to locate missing persons.

Companies big and small are finding new and innovative ways to use drones for inspecting and ensuring the safety of infrastructure ranging from railroad tracks to telecom systems.

They are being used to monitor oil and gas pipelines, crops and livestock, and music festivals.

Companies like Amazon and Google are currently researching and developing systems that would allow merchants and customers to deliver and retrieve packages via drones.

Some experts believe the use of drones could create more than 100,000 jobs and \$482 million in tax revenue for the United States by 2025.

The future is indeed bright for this emerging technology – the question is whether that future is going to take place here or elsewhere.

On February 15, 2015, the FAA released a proposed rule on the commercial use of drones. This came after years of delay and on the heels of a June 2014 report by the Department of Transportation Inspector General that criticized the FAA for being significantly behind in its efforts to integrate drones into the National Airspace System.

The IG concluded that it was unlikely that FAA would meet the statutory deadline of September 2015 to integrate drones into our airspace.

In addition, under current FAA regulations, as well as the proposed rule, it is very difficult for companies that are interested in developing transformative drone technology to even test their ideas.

Developers have been forced to either limit their testing to the small confines of indoor spaces in the U.S., or to test overseas in a country where the rules are more flexible.

In March 2014, Google's 'Project Wing' started testing deliveries by drone in Australia.

A year later, in March 2015, Amazon began testing drone deliveries in Canada and the United Kingdom after months of waiting for approval to test in real world environments in the United States.

According to the UAV trade association, every year that the integration is delayed, the United States loses more than \$10 billion in potential economic impact.

I recognize that privacy and safety concerns exist. I personally share many of those concerns.

I don't want my neighbor flying a drone over my backyard, and I certainly don't want law enforcement using drones for constant surveillance and recording everything that happens in a city.

I also agree that safety of the airspace must be the priority.

Can they be overused? Yes. But we can get this right. And we must. The opportunities are nearly limitless. America has always led when it comes to innovation. We must continue to do so.

I look forward to hearing from our witnesses.